Postal Regulatory Commission Submitted 6/5/2020 3:40:32 PM Filing ID: 113415 Accepted 6/5/2020

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

UNITED STATES POSTAL SERVICE NOTICE OF CHANGES IN RATES OF GENERAL APPLICABILITY FOR LOYALTY PROGRAM

(June 5, 2020)

Pursuant to 39 C.F.R. § 3015.2, the United States Postal Service hereby gives notice of changes in rates of general applicability and associated classification changes for Priority Mail Express and Priority Mail, in order to implement a new Loyalty Program.

In accordance with Rule 3015.2(b), this Notice provides the Governors' Decision establishing the changes, including a statement of explanation and justification, and certification of the vote. The new prices and classification changes will take effect on August 1, 2020. Attached to the Governors' Decision is a schedule showing new prices and related classification changes incorporated into a draft of the revisions to the competitive products section of the Mail Classification Schedule. Classification changes established by this Governors' Decision are shown in legislative format.

Also being filed herewith is a non-public annex showing FY 2020 projected volumes, revenues, attributable costs, contribution, and cost coverage for Priority Mail Express and Priority Mail. Additionally, although a full rollforward forecast is not available at this time, the Postal Service is filing supporting data for the affected products in accordance with Order No. 1062. An application for non-public treatment of

this material is attached to this pleading, along with a redacted, public version of the annex. Finally, in accordance with Order No. 1062, this new price category being introduced is described below.

USPS Loyalty Program for Priority Mail Express and Priority Mail

The Loyalty Program applies to Postal Service business customers who use Click-N-Ship for Priority Mail Express and Priority Mail shipping at Retail rates.

Beginning on August 1, 2020, all such customers will be automatically enrolled in the Basic tier of the Loyalty Program, which will expand to a three-tiered program on January 1, 2021, based on each customer's shipping spend at Retail rates in the previous calendar year, as follows:

- Basic (no minimum spend): Earn \$40 credit for every \$500 spent
- Silver (at least \$10,000 spend): Earn \$50 credit for every \$500 spent
- Gold (at least \$20,000 spend): Qualify for Commercial Base pricing

 Additionally, in order to assist customers whose volume declined as a result of the ongoing COVID-19 pandemic, the Postal Service will provide all Loyalty Program participants with an additional one-time \$20 credit for shipping during the first two months of the program. This credit will be applied once participants ship at least \$500 combined at Priority Mail Express Retail and Priority Mail Retail rates. Finally, any new USPS Click-N-Ship business customers during the first year of the program will receive a one-time \$40 "Welcome Bonus" credit upon shipping at least \$500 at Priority Mail Express and Priority Mail Retail rates.

The Governors' Decision and record of proceedings will be published in the

Federal Register in accordance with 39 U.S.C. § 3632(b)(2).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Nabeel R. Cheema Chief Counsel, Pricing & Product Support

Elizabeth A. Reed

475 L'Enfant Plaza, SW Washington, D.C. 20260 (202) 268-3179 Elizabeth.A.Reed@usps.gov June 5, 2020 DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON CHANGES IN RATES OF GENERAL APPLICABILITY FOR COMPETITIVE PRODUCTS (GOVERNORS' DECISION No. 20-2)

May 28, 2020

STATEMENT OF EXPLANATION AND JUSTIFICATION

Pursuant to authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices of general applicability for certain competitive products, specifically Priority Mail Express and Priority Mail, and such changes in classifications as are necessary to implement the new prices. The changes are described generally below, with a detailed description of the changes in the attachment hereto. The attachment includes the draft Mail Classification Schedule sections with classification changes in legislative format.

As shown in the nonpublic annex being filed under seal herewith, the changes we establish should enable each affected competitive product to cover its attributable costs (39 U.S.C. § 3633(a)(2)) and should result in competitive products as a whole complying with 39 U.S.C. § 3633(a)(3), which, as implemented by 39 C.F.R. § 3015.7(c), requires competitive products collectively to contribute a minimum of 9.1 percent to the Postal Service's institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise (39 U.S.C. § 3633(a)(1)). We therefore find that the new prices are in accordance with 39 U.S.C. §§ 3632-3633 and 39 C.F.R. § 3015.2.

These price and classification changes implement a new Loyalty Program for postal customers that ship Priority Mail Express and Priority Mail packages via Click-N-Ship. Incentives are established for both new and existing Click-N-Ship customers. The Loyalty Program is designed to encourage small and micro businesses to use Click-N-Ship and increase their shipping spend over the coming year. A portion of the program is also designed to provide a credit to these customers who experienced a volume decline as a result of the ongoing COVID-19 pandemic. The various incentives and tiers for the Loyalty Program are set forth in the Mail Classification Schedule attachment.

ORDER

The changes in prices and classes set forth herein shall be effective on August 1, 2020, or as soon as practicable thereafter. We direct the Secretary to have this decision published in the *Federal Register* in accordance with 39 U.S.C. § 3632(b)(2), and direct management to file with the Postal Regulatory Commission appropriate notice of these changes.

By The Governors:

Robert M. Duncan

Chairman, Board of Governors

Robert M. Tunsan

UNITED STATES POSTAL SERVICE OFFICE OF THE BOARD OF GOVERNORS

CERTIFICATION OF GOVERNORS' VOTE ON GOVERNORS' DECISION NO. 20-2

Consistent with 39 USC 3632(a), I hereby certify that, on May 28, 2020, the Governors voted on adopting Governors' Decision No. 20-2, and that a majority of the Governors then holding office voted in favor of that Decision.

Date: May 28, 2020

Michael J. Elston

Secretary of the Board of Governors

2105 Priority Mail Express

2105.1 Description

- a. Priority Mail Express service provides a high speed, high reliability service. It is available from designated acceptance locations to designated postal facilities for delivery to the recipient or, optionally, pickup by the recipient. Drop-off, pick-up, and delivery times are specified by the Postal Service for particular locations and days of the week. Delivery is either overnight, on the second day, or on the second delivery day (the next delivery day following the second day), for particular locations and days of the week.
- b. Any matter eligible for mailing may, at the option of the mailer, be mailed by Priority Mail Express service.
- c. A receipt showing the time and date of mailing will be provided to the mailer upon acceptance of Priority Mail Express by the Postal Service. The receipt serves as proof of mailing. Claims for refunds of postage for not meeting applicable standards must be filed within the period of time and under terms and conditions specified in the Domestic Mail Manual.
- d. Priority Mail Express pieces are sealed against postal inspection and shall not be opened except as authorized by law.
- e. Priority Mail Express pieces that are undeliverable-as-addressed are entitled to be forwarded or returned to the sender without additional charge.
- f. Insurance, up to \$100.00, is included in Priority Mail Express postage. Additional insurance (Priority Mail Express Insurance) is available for an additional charge, depending on the value and nature of the item sent by Priority Mail Express service.

2105.2 Size and Weight Limitations

	Length	Height	Thickness	Weight
Minimum	large enough to address, and o address side	none		
Maximum	108 inches in o	combined length	and girth	70 pounds ¹
	Nominal Sizes			
Flat Rate	Regular: 9.5 x			
Envelopes	Legal: 9.5 x 15			
	Padded: 9.5 x			

Notes

1. An overweight item charge of \$100.00 applies to pieces found in the postal network that exceed the 70-pound maximum weight limitation. Such items are nonmailable and will not be delivered. As described in the Domestic Mail Manual, this charge is payable before release of the item, unless the item is picked up at the same facility where it was entered.

2105.3 Minimum Volume Requirements

	Minimum Volume Requirements
Priority Mail Express	none

2105.4 Price Categories

The following price categories are available for the product specified in this section:

- Retail
 - o Zone/Weight Prices are based on weight and zone
 - Flat Rate Envelopes Envelope provided or approved by the Postal Service
 - Dimensional Weight Applies to parcels in zones local through 9 that exceed one cubic foot
 - <u>Loyalty Program Applies to qualifying business customers who use Click-N-Ship</u>
- Commercial Base Prices are available to customers who use specifically authorized postage payment methods.¹
 - o Zone/Weight Prices are based on weight and zone

¹ <u>Under the Loyalty Program, Gold Tier customers are eligible for Commercial Base prices.</u>

- Flat Rate Envelopes Envelope provided or approved by the Postal Service
- Dimensional Weight Applies to parcels in zones local through 9 that exceed one cubic foot
- Commercial Plus Prices are available to customers who use specifically authorized postage payment methods and mail over 5,000 pieces annually.
 - o Zone/Weight Prices are based on weight and zone
 - Flat Rate Envelopes Envelope provided or approved by the Postal Service
 - Dimensional Weight Applies to parcels in zones local through 9 that exceed one cubic foot

2105.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- Sunday/Holiday Delivery
- 10:30 am Delivery
- Ancillary Services (1505)
 - o Address Correction Service (1505.1)
 - o Collect On Delivery (1505.7)
 - o Priority Mail Express Insurance (1505.9)
 - o Return Receipt (1505.13)
 - Special Handling (1505.18)
- Competitive Ancillary Services (2545)
 - o Adult Signature (2545.1)
 - o Package Intercept Service (2545.2)
 - o Premium Data Retention and Retrieval Service (2545.3)

2105.6 Prices

Retail Priority Mail Express Zone/Weight

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.5	26.35	26.60	27.50	30.70	32.75	34.80	37.15	50.60
1	26.75	28.85	31.50	36.70	39.50	41.75	44.00	59.90
2	27.15	31.15	35.55	42.75	46.20	48.70	50.85	69.25
3	27.55	33.40	39.55	48.75	52.95	55.60	57.65	78.55
4	27.95	35.70	43.60	54.80	59.65	62.55	64.50	87.90
5	28.35	37.95	47.60	60.80	66.40	69.50	71.35	97.20
6	31.20	41.65	52.80	66.80	72.55	76.10	78.10	106.40
7	34.10	45.35	58.05	72.80	78.70	82.75	84.90	115.65
8	36.95	49.10	63.25	78.75	84.80	89.35	91.65	124.85
9	39.85	52.80	68.50	84.75	90.95	96.00	98.45	134.10
10	42.70	56.50	73.70	90.75	97.10	102.60	105.20	143.30
11	44.75	60.70	77.85	94.80	100.95	106.60	109.40	149.05
12	46.80	64.90	82.00	98.85	104.80	110.65	113.60	154.75
13	48.90	69.15	86.15	102.90	108.65	114.65	117.80	160.45
14	50.95	73.35	90.30	106.95	112.50	118.70	122.00	166.20
15	53.00	77.55	94.45	111.05	116.35	122.70	126.20	171.90
16	55.05	81.75	98.60	115.10	120.15	126.70	130.45	177.65
17	57.10	85.95	102.75	119.15	124.00	130.75	134.65	183.35
18	59.20	90.20	106.90	123.20	127.85	134.75	138.85	189.10
19	61.25	94.40	111.05	127.25	131.70	138.80	143.05	194.80
20	63.30	98.60	115.20	131.30	135.55	142.80	147.25	200.55
21	65.60	103.15	119.70	136.30	140.65	148.05	152.75	208.05
22	67.95	107.65	124.15	141.30	145.70	153.35	158.20	215.50
23	70.25	112.20	128.65	146.35	150.80	158.60	163.70	223.00
24	72.55	116.70	133.10	151.35	155.85	163.90	169.20	230.45
25	74.85	121.25	137.60	156.35	160.95	169.15	174.70	237.95

Retail Priority Mail Express Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
26	77.20	125.80	142.05	161.35	166.05	174.45	180.15	245.40
27	79.50	130.30	146.55	166.35	171.10	179.70	185.65	252.90
28	81.80	134.85	151.00	171.40	176.20	185.00	191.15	260.35
29	84.10	139.35	155.50	176.40	181.25	190.25	196.65	267.85
30	86.45	143.90	159.95	181.40	186.35	195.55	202.10	275.30
31	88.75	148.45	164.45	186.40	191.45	200.80	207.60	282.80
32	91.05	152.95	168.90	191.40	196.50	206.10	213.10	290.25
33	93.35	157.50	173.40	196.45	201.60	211.35	218.60	297.75
34	95.70	162.00	177.85	201.45	206.65	216.65	224.05	305.20
35	98.00	166.55	182.35	206.45	211.75	221.90	229.55	312.70
36	100.55	171.00	187.20	212.00	217.55	227.95	235.70	321.20
37	102.75	175.20	192.05	217.35	223.35	233.90	241.95	329.45
38	105.15	179.70	196.90	222.85	228.90	239.65	247.90	337.75
39	107.75	184.05	201.85	228.20	234.20	245.15	254.05	346.10
40	110.05	188.20	206.75	233.70	239.95	251.00	260.30	354.55
41	112.20	192.65	211.55	239.00	245.75	257.10	266.35	362.70
42	114.20	197.05	216.45	244.30	251.55	263.00	272.40	371.05
43	116.85	201.35	221.15	249.65	257.10	268.70	278.55	379.45
44	119.00	205.75	226.10	255.10	262.65	274.45	284.65	387.65
45	121.30	210.10	230.80	260.30	268.25	280.25	290.90	396.20
46	123.60	214.30	235.95	265.85	273.85	285.95	296.90	404.40
47	126.25	218.65	240.70	271.15	279.55	291.80	303.05	412.70
48	128.35	223.20	245.45	276.35	285.15	297.55	309.15	421.10
49	130.70	227.35	250.40	281.70	291.00	303.50	315.25	429.50
50	133.45	231.85	255.25	287.20	296.40	309.10	321.35	437.75

Retail Priority Mail Express Zone/Weight (Continued)

Maximum Weight (pounds)	Zones 1 & 2 (\$)	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9 (\$)
-		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(Ψ)
51	135.80	236.25	260.10	292.45	301.95	314.80	326.65	444.95
52	138.10	240.30	264.85	297.70	307.80	320.75	333.80	454.55
53	140.40	244.85	269.80	303.05	313.45	326.50	339.85	462.90
54	142.90	249.20	274.60	308.20	319.15	332.35	345.90	471.15
55	145.75	254.95	279.60	313.70	324.65	338.00	352.00	479.45
56	148.75	259.40	284.30	318.90	330.20	343.80	358.10	487.85
57	151.35	263.75	289.15	324.25	335.80	349.45	364.20	496.05
58	153.90	267.95	294.00	329.45	341.50	355.25	370.30	504.35
59	156.05	272.30	298.75	334.70	347.30	361.05	376.45	512.70
60	158.15	276.70	303.65	340.00	352.90	366.80	382.55	521.05
61	160.40	281.05	308.80	345.60	358.50	372.45	388.65	529.35
62	162.90	285.35	313.50	350.60	364.05	378.20	394.90	537.85
63	165.55	289.65	318.35	355.95	369.80	384.05	401.00	546.20
64	167.85	293.95	323.15	361.05	375.50	389.85	407.10	554.65
65	170.70	298.30	328.00	366.30	381.10	395.30	413.20	562.80
66	173.90	302.80	333.00	371.70	386.80	401.05	419.30	570.95
67	175.90	307.05	337.90	377.00	392.15	406.65	425.40	579.45
68	178.20	311.35	342.70	382.10	398.05	412.60	431.70	588.00
69	181.00	315.75	347.45	387.35	403.55	418.15	437.55	595.95
70	184.30	320.15	352.40	392.65	409.20	423.85	443.70	604.40

Retail Flat Rate Envelope

	(\$)
Retail Regular Flat Rate Envelope, per piece	26.35
Retail Legal Flat Rate Envelope, per piece	26.50
Retail Padded Flat Rate Envelope, per piece	26.95

Retail Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Loyalty Program

Upon the initiation of the Loyalty Program, all USPS business customers who use Click-N-Ship will be automatically enrolled in the Basic tier of the Loyalty Program, thereby earning a \$40 credit for every \$500 combined spent at Priority Mail Express Retail and Priority Mail Retail rates.

Beginning on January 1, 2021, and on every January 1 thereafter, all USPS business customers who use Click-N-Ship will be enrolled in one of the following three tiers of the Loyalty Program, based on their combined shipping spend at Priority Mail Express Retail and Priority Mail Retail rates in the previous calendar year, as follows:

- Basic (no minimum spend):
 Earn \$40 credit for every \$500 spent
- Silver (at least \$10,000 spend):
 Earn \$50 credit for every \$500 spent
- Gold (at least \$20,000 spend):
 Qualify for Commercial Base Pricing

In the first year of the Loyalty Program, any new USPS business customer who uses Click-N-Ship will receive a one-time \$40 "Welcome Bonus" credit upon shipping at least \$500 combined at Priority Mail Express Retail and Priority Mail Retail rates.

All participants in the Loyalty Program will be eligible to receive an additional one-time \$20 credit for shipping during the first two months of the program, which will be applied once participants ship at least \$500 combined at Priority Mail Express Retail and Priority Mail Retail rates.

All credits must be redeemed within one year from the date of issuance.

Commercial Base Zone/Weight

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.5	22.75	23.30	24.05	26.35	28.25	30.05	32.45	43.95
1	23.00	25.20	27.45	31.20	33.65	35.65	38.05	51.50
2	23.25	27.05	30.90	36.00	39.05	41.20	43.60	59.05
3	23.50	28.95	34.30	40.85	44.40	46.80	49.20	66.55
4	23.75	30.80	37.75	45.65	49.80	52.35	54.75	74.10
5	24.00	32.70	41.15	50.50	55.20	57.95	60.35	81.65
6	26.45	35.95	45.70	55.55	60.40	63.55	66.15	89.50
7	28.90	39.20	50.30	60.60	65.60	69.15	71.95	97.35
8	31.40	42.50	54.85	65.60	70.75	74.75	77.75	105.20
9	33.85	45.75	59.45	70.65	75.95	80.35	83.55	113.05
10	36.30	49.00	64.00	75.70	81.15	85.95	89.35	120.90
11	38.20	52.90	67.90	79.60	84.90	89.90	93.55	126.55
12	40.10	56.80	71.75	83.55	88.70	93.85	97.70	132.20
13	42.05	60.70	75.65	87.45	92.45	97.80	101.90	137.90
14	43.95	64.60	79.55	91.40	96.20	101.75	106.05	143.55
15	45.85	68.50	83.45	95.30	100.00	105.65	110.20	149.20
16	47.75	72.35	87.30	99.20	103.75	109.60	114.40	154.85
17	49.65	76.25	91.20	103.15	107.50	113.55	118.55	160.50
18	51.60	80.15	95.10	107.05	111.25	117.50	122.75	166.20
19	53.50	84.05	98.95	111.00	115.05	121.45	126.90	171.85
20	55.40	87.95	102.85	114.90	118.80	125.40	131.10	177.50
21	57.35	91.90	106.75	119.15	123.15	129.90	135.85	183.95
22	59.35	95.85	110.65	123.45	127.50	134.45	140.60	190.40
23	61.30	99.80	114.50	127.70	131.80	138.95	145.40	196.85
24	63.30	103.75	118.40	132.00	136.15	143.45	150.15	203.25
25	65.25	107.70	122.30	136.25	140.50	147.95	154.90	209.70

Commercial Base Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
26	67.20	111.65	126.20	140.50	144.85	152.50	159.65	216.15
27	69.20	115.60	130.10	144.80	149.20	157.00	164.40	222.60
28	71.15	119.55	133.95	149.05	153.50	161.50	169.20	229.05
29	73.15	123.50	137.85	153.35	157.85	166.00	173.95	235.50
30	75.10	127.45	141.75	157.60	162.20	170.55	178.70	241.95
31	77.05	131.40	145.65	161.85	166.55	175.05	183.45	248.40
32	79.05	135.35	149.55	166.15	170.90	179.55	188.20	254.80
33	81.00	139.30	153.40	170.40	175.20	184.05	193.00	261.25
34	83.00	143.25	157.30	174.70	179.55	188.60	197.75	267.70
35	84.95	147.20	161.20	178.95	183.90	193.10	202.50	274.15
36	87.15	151.10	165.60	183.75	188.95	198.30	207.90	281.50
37	89.00	154.85	169.85	188.35	193.95	203.50	213.35	288.85
38	91.10	158.75	174.15	193.10	198.75	208.50	218.65	296.05
39	93.35	162.65	178.55	197.75	203.40	213.30	224.10	303.45
40	95.35	166.30	182.90	202.55	208.35	218.45	229.55	310.80
41	97.25	170.25	187.15	207.10	213.40	223.65	234.90	318.00
42	98.95	174.15	191.40	211.75	218.40	228.80	240.20	325.25
43	101.25	177.90	195.65	216.35	223.25	233.80	245.70	332.60
44	103.05	181.80	200.00	221.05	228.05	238.75	251.00	339.85
45	105.05	185.65	204.15	225.55	232.95	243.85	256.50	347.30
46	107.10	189.40	208.70	230.40	237.80	248.80	261.85	354.55
47	109.35	193.25	212.90	235.00	242.70	253.85	267.25	361.85
48	111.25	197.20	217.10	239.45	247.60	258.90	272.65	369.15
49	113.20	200.90	221.45	244.15	252.65	264.10	278.10	376.55
50	115.65	204.85	225.80	248.90	257.40	268.90	283.45	383.75

Commercial Base Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
51	117.65	208.75	230.05	253.45	262.20	273.90	288.10	390.05
52	119.70	212.40	234.25	258.00	267.30	279.05	294.30	398.50
53	121.60	216.35	238.65	262.65	272.20	284.10	299.70	405.75
54	123.80	220.25	242.85	267.15	277.05	289.15	305.05	413.05
55	126.25	225.30	247.30	271.90	281.90	294.05	310.40	420.30
56	128.90	229.20	251.50	276.40	286.75	299.05	315.85	427.65
57	131.10	233.05	255.80	281.00	291.60	304.05	321.20	434.85
58	133.35	236.75	260.05	285.50	296.60	309.10	326.60	442.15
59	135.20	240.60	264.30	290.10	301.60	314.15	331.95	449.45
60	137.00	244.45	268.65	294.65	306.45	319.10	337.35	456.75
61	138.95	248.40	273.15	299.45	311.35	324.10	342.75	464.05
62	141.10	252.10	277.30	303.85	316.15	328.95	348.25	471.50
63	143.45	255.95	281.60	308.45	321.10	334.10	353.70	478.85
64	145.35	259.75	285.80	312.90	326.05	339.10	359.10	486.15
65	147.85	263.60	290.10	317.45	330.90	343.95	364.40	493.35
66	150.60	267.55	294.50	322.15	335.80	349.00	369.75	500.55
67	152.35	271.30	298.85	326.75	340.55	353.80	375.20	507.95
68	154.35	275.15	303.10	331.15	345.65	359.00	380.70	515.45
69	156.80	279.05	307.35	335.70	350.40	363.85	385.85	522.45
70	159.65	282.90	311.70	340.25	355.35	368.80	391.30	529.80

Commercial Base Flat Rate Envelope

	(\$)
Commercial Base Regular Flat Rate Envelope, per piece	22.75
Commercial Base Legal Flat Rate Envelope, per piece	22.95
Commercial Base Padded Flat Rate Envelope, per piece	23.25

Commercial Base Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Commercial Plus Zone/Weight

Maximum Weight	Local, Zones	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
(pounds)	1 & 2 (\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
0.5	22.75	23.30	24.05	26.35	28.25	30.05	32.45	43.95
1	23.00	25.20	27.45	31.20	33.65	35.65	38.05	51.50
2	23.25	27.05	30.90	36.00	39.05	41.20	43.60	59.05
3	23.50	28.95	34.30	40.85	44.40	46.80	49.20	66.55
4	23.75	30.80	37.75	45.65	49.80	52.35	54.75	74.10
5	24.00	32.70	41.15	50.50	55.20	57.95	60.35	81.65
6	26.45	35.95	45.70	55.55	60.40	63.55	66.15	89.50
7	28.90	39.20	50.30	60.60	65.60	69.15	71.95	97.35
8	31.40	42.50	54.85	65.60	70.75	74.75	77.75	105.20
9	33.85	45.75	59.45	70.65	75.95	80.35	83.55	113.05
10	36.30	49.00	64.00	75.70	81.15	85.95	89.35	120.90
11	38.20	52.90	67.90	79.60	84.90	89.90	93.55	126.55
12	40.10	56.80	71.75	83.55	88.70	93.85	97.70	132.20
13	42.05	60.70	75.65	87.45	92.45	97.80	101.90	137.90
14	43.95	64.60	79.55	91.40	96.20	101.75	106.05	143.55
15	45.85	68.50	83.45	95.30	100.00	105.65	110.20	149.20
16	47.75	72.35	87.30	99.20	103.75	109.60	114.40	154.85
17	49.65	76.25	91.20	103.15	107.50	113.55	118.55	160.50
18	51.60	80.15	95.10	107.05	111.25	117.50	122.75	166.20
19	53.50	84.05	98.95	111.00	115.05	121.45	126.90	171.85
20	55.40	87.95	102.85	114.90	118.80	125.40	131.10	177.50
21	57.35	91.90	106.75	119.15	123.15	129.90	135.85	183.95
22	59.35	95.85	110.65	123.45	127.50	134.45	140.60	190.40
23	61.30	99.80	114.50	127.70	131.80	138.95	145.40	196.85
24	63.30	103.75	118.40	132.00	136.15	143.45	150.15	203.25
25	65.25	107.70	122.30	136.25	140.50	147.95	154.90	209.70

Commercial Plus Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
26	67.20	111.65	126.20	140.50	144.85	152.50	159.65	216.15
27	69.20	115.60	130.10	144.80	149.20	157.00	164.40	222.60
28	71.15	119.55	133.95	149.05	153.50	161.50	169.20	229.05
29	73.15	123.50	137.85	153.35	157.85	166.00	173.95	235.50
30	75.10	127.45	141.75	157.60	162.20	170.55	178.70	241.95
31	77.05	131.40	145.65	161.85	166.55	175.05	183.45	248.40
32	79.05	135.35	149.55	166.15	170.90	179.55	188.20	254.80
33	81.00	139.30	153.40	170.40	175.20	184.05	193.00	261.25
34	83.00	143.25	157.30	174.70	179.55	188.60	197.75	267.70
35	84.95	147.20	161.20	178.95	183.90	193.10	202.50	274.15
36	87.15	151.10	165.60	183.75	188.95	198.30	207.90	281.50
37	89.00	154.85	169.85	188.35	193.95	203.50	213.35	288.85
38	91.10	158.75	174.15	193.10	198.75	208.50	218.65	296.05
39	93.35	162.65	178.55	197.75	203.40	213.30	224.10	303.45
40	95.35	166.30	182.90	202.55	208.35	218.45	229.55	310.80
41	97.25	170.25	187.15	207.10	213.40	223.65	234.90	318.00
42	98.95	174.15	191.40	211.75	218.40	228.80	240.20	325.25
43	101.25	177.90	195.65	216.35	223.25	233.80	245.70	332.60
44	103.05	181.80	200.00	221.05	228.05	238.75	251.00	339.85
45	105.05	185.65	204.15	225.55	232.95	243.85	256.50	347.30
46	107.10	189.40	208.70	230.40	237.80	248.80	261.85	354.55
47	109.35	193.25	212.90	235.00	242.70	253.85	267.25	361.85
48	111.25	197.20	217.10	239.45	247.60	258.90	272.65	369.15
49	113.20	200.90	221.45	244.15	252.65	264.10	278.10	376.55
50	115.65	204.85	225.80	248.90	257.40	268.90	283.45	383.75

Commercial Plus Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
51	117.65	208.75	230.05	253.45	262.20	273.90	288.10	390.05
52	119.70	212.40	234.25	258.00	267.30	279.05	294.30	398.50
53	121.60	216.35	238.65	262.65	272.20	284.10	299.70	405.75
54	123.80	220.25	242.85	267.15	277.05	289.15	305.05	413.05
55	126.25	225.30	247.30	271.90	281.90	294.05	310.40	420.30
56	128.90	229.20	251.50	276.40	286.75	299.05	315.85	427.65
57	131.10	233.05	255.80	281.00	291.60	304.05	321.20	434.85
58	133.35	236.75	260.05	285.50	296.60	309.10	326.60	442.15
59	135.20	240.60	264.30	290.10	301.60	314.15	331.95	449.45
60	137.00	244.45	268.65	294.65	306.45	319.10	337.35	456.75
61	138.95	248.40	273.15	299.45	311.35	324.10	342.75	464.05
62	141.10	252.10	277.30	303.85	316.15	328.95	348.25	471.50
63	143.45	255.95	281.60	308.45	321.10	334.10	353.70	478.85
64	145.35	259.75	285.80	312.90	326.05	339.10	359.10	486.15
65	147.85	263.60	290.10	317.45	330.90	343.95	364.40	493.35
66	150.60	267.55	294.50	322.15	335.80	349.00	369.75	500.55
67	152.35	271.30	298.85	326.75	340.55	353.80	375.20	507.95
68	154.35	275.15	303.10	331.15	345.65	359.00	380.70	515.45
69	156.80	279.05	307.35	335.70	350.40	363.85	385.85	522.45
70	159.65	282.90	311.70	340.25	355.35	368.80	391.30	529.80

Commercial Plus Flat Rate Envelope

	(\$)
Commercial Plus Regular Flat Rate Envelope, per piece	22.75
Commercial Plus Legal Flat Rate Envelope, per piece	22.95
Commercial Plus Padded Flat Rate Envelope, per piece	23.25

Commercial Plus Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Pickup On Demand Service

Add \$24.00 for each Pickup On Demand stop.

Sunday/Holiday Delivery

Add \$12.50 for requesting Sunday or holiday delivery.

10:30 am Delivery

Add \$5.00 for requesting delivery by 10:30 am.

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices, unless the eVS Unmanifested Fee was already assessed on that parcel.

eVS Unmanifested Fee

Add \$0.20 for each unmanifested parcel paying commercial prices, unless the IMpb Noncompliance Fee was already assessed on that parcel.

2110 Priority Mail

2110.1 Description

- a. Priority Mail service provides expeditious handling and transportation.
- b. Any matter eligible for mailing may, at the option of the mailer, be mailed by Priority Mail service for expeditious handling and transportation.
- c. Priority Mail pieces are sealed against postal inspection and shall not be opened except as authorized by law.
- d. Priority Mail pieces that are undeliverable-as-addressed are entitled to be forwarded or returned to the sender without additional charge.
- e. Up to \$50.00 of General Insurance coverage is included at no additional cost in the price of Priority Mail pieces that bear an Intelligent Mail package barcode or retail tracking barcode. This does not apply to Priority Mail pieces sent non-prepaid returns, Priority Mail Open and Distribute, or Premium Forwarding Service.
- f. Up to \$100.00 of General Insurance coverage is included at no additional cost in the price of Priority Mail pieces that bear an Intelligent Mail package barcode and for which the mailer pays Commercial Plus prices or uses ePostage, Electronic Verification System, Hardcopy Manifest, or an approved Manifest Mailing System. This does not apply to Priority Mail pieces sent using non-prepaid returns, Priority Mail Open and Distribute, or Premium Forwarding Service.
- g. Return parcels may be sent without prepayment of postage if authorized by the returns customer, who agrees to pay the postage.

2110.2 Size and Weight Limitations

	Length	Height	Thickness	Weight
Minimum	large enough address, and address side		none	
Maximum				70 pounds ¹
Flat Rate	Nominal Sizes	s:		
Envelope	Regular: 9.5			
	Padded: 10			
	Legal: 9.5	x 15.0 inches		
Flat Rate	Nominal Sizes	s:		
Box	11.	x 12 x 5.5 inches 75 x 3 x 23.6875	5 inches	
		pproximately 1/2 875 x 3.375 x 13		
	Medium: 11. 11. - a			
	Small: 8.6	25 x 5.375 x 1.62 pproximately 1/2	25 inches	
Regional	Outside Dime	nsions:		15 pounds
Rate Box A	Top Loaded:	10.125 x 7.125	x 5.0 inches	
DUX A	Side Loaded:	13.0625 x 11.06	325 x 2.5 inches	
Regional	Outside Dime	nsions:		20 pounds
Rate Box B	Top Loaded:	12.25 x 10.5 x 5	5.5 inches	
БОХ Б	Side Loaded:			
Commercial Plus Cubic	Various, not to 0.5 cubic feet	exceed 0.1, 0.2	, 0.3, 0.4, or	20 pounds
Open and	Half Tray: 15	x 11.75 x 4.75 in	ches	70 pounds ¹
Distribute	Full Tray: 25.			
	EMM Tray: 12			
	Flat Tub: 19.3			
All Others	108 inches in	combined length	and girth	70 pounds ¹

Notes

1. An overweight item charge of \$100.00 applies to pieces found in the postal network that exceed the 70-pound maximum weight limitation. Such items are nonmailable and will not be delivered. As described in the Domestic Mail Manual, this charge is payable before release of the item, unless the item is picked up at the same facility where it was entered.

2110.3 Minimum Volume Requirements

	Minimum Volume Requirements
Commercial Plus Cubic Priority Mail	50 pounds or 200 pieces (Permit Imprint only)
All Other Priority Mail	None

2110.4 Price Categories

The following price categories are available for the product specified in this section:

Retail

- o Zone/Weight Prices are based on weight and zone
- Flat Rate Envelopes Envelope provided or approved by the Postal Service
- o Flat Rate Boxes Boxes provided or approved by the Postal Service
- o Regional Rate Boxes
- Dimensional Weight Applies to parcels in zones local through 9 that exceed one cubic foot
- Loyalty Program Applies to qualifying business customers who use Click-N-Ship
- Commercial Base Available to mailers who use specifically authorized postage payment methods¹
 - Zone/Weight Prices are based on weight and zone
 - Flat Rate Envelopes Envelope provided or approved by the Postal Service
 - Flat Rate Boxes Boxes provided or approved by the Postal Service
 - Regional Rate Boxes
 - Dimensional Weight Applies to parcels in zones local through 9 that exceed one cubic foot

¹ <u>Under the Loyalty Program, Gold Tier customers are eligible for Commercial Base prices.</u>

- Commercial Plus Available to mailers who use specifically authorized postage payment methods and whose annual volume exceeds 50,000 pieces or 600 open and distribute containers for parcels, or 5,000 letter-sized pieces excluding the Padded Flat Rate Envelope
 - Zone/Weight Prices are based on weight and zone
 - Flat Rate Envelopes Envelope provided or approved by the Postal Service
 - o Flat Rate Boxes Boxes provided or approved by the Postal Service
 - o Regional Rate Boxes
 - Dimensional Weight Applies to parcels in zones local through 9 that exceed one cubic foot
- Commercial Plus Cubic Prices are available to customers who use specifically authorized postage payment methods and whose annual Priority Mail volume exceeds 50,000 pieces
 - o Zone/Cubic Volume
- Open and Distribute (PMOD) Prices are available to customers who use specifically authorized postage payment methods
 - Processing Facilities Received at designated processing facilities, or other equivalent facility
- Half Tray, Full Tray, EMM Tray, or Flat Tub
 - DDU Received at designated Destination Delivery Unit, or other equivalent facility
- Half Tray, Full Tray, EMM Tray, or Flat Tub

2110.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- Ancillary Services (1505)
 - o Address Correction Service (1505.1)
 - o Business Reply Mail (1505.3)
 - o Certified Mail (1505.5)
 - o Certificate of Mailing (1505.6)
 - o Collect On Delivery (1505.7)
 - o USPS Tracking (1505.8)
 - o Insurance (1505.9)
 - o Registered Mail (1505.12)
 - o Return Receipt (1505.13)
 - o Return Receipt for Merchandise (1505.14)
 - o Signature Confirmation (1505.17)
 - o Special Handling (1505.18)
- Competitive Ancillary Services (2545)
 - o Adult Signature (2545.1)
 - o Package Intercept Service (2545.2)
 - o Premium Data Retention and Retrieval Service (2545.3)

2110.6 Prices

Retail Priority Mail Zone/Weight

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
1	7.50	7.85	8.00	8.25	8.45	8.85	9.60	14.05
2	8.25	8.70	9.90	10.90	11.75	13.65	14.90	22.30
3	8.70	9.70	10.90	12.55	13.25	16.90	20.00	29.85
4	9.20	10.55	11.55	13.95	17.25	20.80	23.15	34.55
5	10.20	11.30	12.25	14.40	19.65	23.85	26.70	40.00
6	10.95	11.55	12.80	15.70	21.85	25.90	29.20	45.15
7	11.95	13.10	15.40	18.95	24.20	28.95	32.85	50.75
8	12.30	14.50	17.10	22.55	27.45	32.15	36.75	56.80
9	12.80	15.65	18.95	25.75	29.85	34.70	40.90	63.20
10	13.60	16.80	20.40	27.90	32.30	38.15	44.55	68.90
11	14.95	18.50	22.50	29.95	36.30	44.15	51.25	76.25
12	16.25	19.85	24.20	33.20	39.50	47.75	54.50	81.80
13	17.25	20.95	25.55	35.10	42.40	49.65	57.00	84.75
14	18.30	22.35	27.20	37.35	44.75	52.45	59.95	89.00
15	18.95	23.60	28.75	39.50	46.70	53.65	61.50	91.55
16	19.60	24.90	30.30	41.70	49.30	56.60	64.90	96.55
17	20.50	26.20	31.90	43.85	51.80	59.60	68.30	101.65
18	20.85	27.10	33.20	46.00	54.55	62.50	71.85	106.85
19	21.45	27.75	33.95	47.30	55.60	63.85	73.30	111.90
20	22.35	28.10	34.50	47.95	56.95	66.10	76.75	117.05
21	23.10	28.45	35.00	48.80	57.90	67.20	78.50	120.70
22	23.65	29.10	35.85	49.95	59.20	68.85	80.35	123.70
23	24.20	29.70	36.45	50.75	60.30	70.20	81.80	125.80
24	24.75	30.30	37.30	51.90	61.55	71.95	83.80	128.95
25	25.00	30.80	38.80	54.25	62.30	73.75	85.20	131.05

Retail Priority Mail Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
26	26.00	31.40	40.25	55.35	63.85	75.55	87.90	135.25
27	26.80	31.85	41.45	56.45	64.80	77.35	91.20	140.30
28	27.60	32.25	42.70	57.85	65.60	79.10	94.60	145.60
29	28.45	32.65	43.75	58.70	66.75	80.90	97.20	149.50
30	29.30	33.05	44.80	59.50	68.60	82.80	99.30	152.80
31	30.15	33.40	45.55	60.30	69.65	84.55	101.25	157.10
32	30.50	34.15	46.30	60.95	70.50	86.35	103.35	160.30
33	31.05	35.05	47.45	61.75	71.90	88.15	105.25	163.35
34	31.30	36.00	48.65	63.10	73.55	90.00	107.25	166.35
35	31.60	36.85	49.25	64.45	75.50	91.75	109.00	169.15
36	31.95	37.90	49.95	65.80	77.50	93.00	110.95	172.05
37	32.25	38.55	50.65	67.00	79.50	94.20	112.75	174.90
38	32.65	39.55	51.30	68.30	81.70	95.35	114.55	177.75
39	32.95	40.45	51.95	69.75	83.65	97.80	116.25	180.40
40	33.35	41.30	52.65	71.25	85.00	100.00	117.90	182.90
41	33.65	42.10	53.25	71.90	86.35	102.15	119.65	187.00
42	33.90	42.85	53.80	73.45	87.90	103.45	121.20	189.60
43	34.35	43.55	54.30	75.10	90.05	104.80	122.75	191.95
44	34.55	44.25	55.00	76.60	91.45	106.00	124.20	194.30
45	34.80	44.75	55.35	78.40	92.45	107.20	125.80	196.70
46	35.05	45.05	55.95	79.80	93.45	108.35	127.25	199.10
47	35.35	45.50	56.50	81.60	94.50	109.55	128.70	201.20
48	35.70	45.85	57.05	83.20	95.75	110.60	130.10	203.40
49	35.90	46.15	57.45	84.75	97.00	111.75	131.40	205.45
50	36.05	46.45	57.90	86.40	98.30	113.20	132.70	207.60

Retail Priority Mail Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
51	36.20	46.90	58.40	87.85	99.65	114.85	133.95	211.15
52	36.65	47.20	58.80	88.55	100.70	116.55	135.50	213.75
53	37.30	47.50	59.15	89.25	101.55	118.40	137.30	216.50
54	37.75	47.70	59.60	90.00	102.30	120.20	139.25	219.50
55	38.40	48.05	59.90	90.65	103.05	122.05	141.10	222.45
56	38.95	48.35	60.25	91.25	103.80	123.80	142.40	224.50
57	39.50	48.50	60.60	91.75	104.55	125.70	143.45	226.15
58	40.15	48.75	61.00	92.40	105.15	127.40	144.55	227.80
59	40.75	48.95	61.30	92.95	105.75	128.15	145.70	229.65
60	41.30	49.15	61.90	93.40	106.30	128.90	146.60	231.15
61	41.90	49.40	63.00	93.90	106.90	129.65	148.60	234.35
62	42.35	49.50	63.75	94.40	107.45	130.25	151.05	238.05
63	43.15	49.75	64.85	94.80	108.00	130.85	153.45	241.90
64	43.60	51.30	65.80	95.25	108.45	131.50	155.70	245.55
65	44.20	51.45	66.65	95.60	108.85	132.10	158.25	249.45
66	44.75	51.65	67.75	96.05	109.35	132.55	160.45	253.00
67	45.50	51.75	68.90	96.35	109.65	133.10	162.60	256.30
68	46.00	51.85	69.75	96.60	111.05	133.60	164.35	259.10
69	46.60	51.90	70.60	96.85	112.40	133.95	166.10	261.80
70	47.15	52.05	71.75	97.20	113.80	134.40	167.90	264.60

Retail Flat Rate Envelopes¹

	(\$)
Retail Regular Flat Rate Envelope, per piece	7.75
Retail Legal Flat Rate Envelope, per piece	8.05
Retail Padded Flat Rate Envelope, per piece	8.40

Notes

1. The price for Regular, Legal, or Padded Flat Rate Envelopes also applies to sales of Regular, Legal, or Padded Flat Rate Envelopes, respectively, marked with Forever postage, at the time the envelopes are purchased.

Retail Flat Rate Boxes¹

Size	Delivery to Domestic Address (\$)	Delivery to APO/FPO/DPO Address (\$)	
Small Flat Rate Box	8.30	8.30	
Medium Flat Rate Boxes	15.05	15.05	
Large Flat Rate Boxes	21.10	19.60	

Notes

1. The price for Small, Medium, or Large Flat Rate Boxes also applies to sales of Small, Medium, or Large Flat Rate Boxes, respectively, marked with Forever postage, at the time the boxes are purchased.

Regional Rate Boxes

Size	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Α	9.98	10.22	10.51	11.22	12.72	13.43	14.40	20.99
В	10.37	10.81	11.72	13.83	19.02	21.51	24.19	36.68

Retail Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Loyalty Program

Upon the initiation of the Loyalty Program, all USPS business customers who use Click-N-Ship will be automatically enrolled in the Basic tier of the Loyalty Program, thereby earning a \$40 credit for every \$500 combined spent at Priority Mail Express Retail and Priority Mail Retail rates.

Beginning on January 1, 2021, and on every January 1 thereafter, all USPS business customers who use Click-N-Ship will be enrolled in one of the following three tiers of the Loyalty Program, based on their combined shipping spend at Priority Mail Express Retail and Priority Mail Retail rates in the previous calendar year, as follows:

- Basic (no minimum spend):
 Earn \$40 credit for every \$500 spent
- Silver (at least \$10,000 spend):
 Earn \$50 credit for every \$500 spent
- Gold (at least \$20,000 spend):
 Qualify for Commercial Base Pricing

In the first year of the Loyalty Program, any new USPS business customer who uses Click-N-Ship will receive a one-time \$40 "Welcome Bonus" credit upon shipping at least \$500 combined at Priority Mail Express Retail and Priority Mail Retail rates.

All participants in the Loyalty Program will be eligible to receive an additional one-time \$20 credit for shipping during the first two months of the program, which will be applied once participants ship at least \$500 combined at Priority Mail Express Retail and Priority Mail Retail rates.

All credits must be redeemed within one year from the date of issuance.

Commercial Base Priority Mail Zone/Weight

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
1	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
2	7.64	7.84	8.12	8.76	9.99	10.54	11.19	17.45
3	7.84	8.23	8.59	9.54	12.15	13.49	15.74	23.67
4	7.94	8.45	9.07	10.33	14.16	16.06	18.14	28.50
5	8.04	8.50	9.39	10.64	16.14	18.46	21.01	33.17
6	8.15	8.54	9.50	14.18	18.47	21.45	24.52	38.01
7	8.39	9.69	9.74	15.89	20.46	24.18	27.55	42.68
8	8.45	10.17	11.49	17.35	22.47	26.63	30.94	47.91
9	9.28	10.56	11.97	18.60	24.45	28.84	34.40	53.28
10	9.76	11.10	12.16	20.30	26.67	32.03	37.78	57.94
11	11.30	13.53	14.50	22.57	29.15	35.50	41.67	63.30
12	12.00	14.39	16.89	24.18	31.81	38.40	44.73	67.86
13	12.62	15.22	17.68	25.47	34.14	39.95	46.31	70.29
14	13.27	16.06	18.62	26.96	36.06	42.18	48.61	73.77
15	13.79	16.90	19.53	28.34	37.45	42.99	49.88	75.72
16	14.39	17.97	20.78	30.03	39.95	45.84	53.13	79.88
17	14.85	18.80	21.77	31.50	41.98	48.22	55.95	84.09
18	15.14	19.38	22.75	32.91	44.20	50.60	58.75	88.33
19	15.49	19.83	23.27	33.78	46.18	52.95	61.54	92.52
20	16.10	20.14	23.74	34.40	47.38	54.93	64.39	96.78
21	16.81	20.62	24.29	35.01	47.75	55.45	65.22	98.85
22	17.34	21.18	25.10	35.71	48.08	55.88	65.97	100.00
23	17.86	21.68	25.70	36.36	48.34	56.26	66.36	100.59
24	18.59	22.60	27.16	37.79	49.36	57.73	67.98	103.05
25	19.30	23.40	28.88	39.06	50.09	59.17	69.16	104.82

Commercial Base Priority Mail Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
26	20.47	25.09	31.90	41.14	51.31	60.63	71.33	108.10
27	21.69	26.22	33.84	44.84	52.00	62.04	74.00	112.19
28	22.35	26.57	34.80	46.01	52.71	63.48	76.78	116.40
29	23.04	26.84	35.74	46.62	53.59	64.94	78.85	119.51
30	23.72	27.23	36.58	47.26	55.09	66.36	80.54	122.10
31	24.39	27.50	37.15	47.86	55.89	67.83	82.19	125.60
32	24.67	28.08	37.77	48.42	56.62	69.29	83.87	128.16
33	25.05	28.86	38.71	49.06	57.72	70.72	85.41	130.53
34	25.28	29.61	39.69	50.12	59.09	72.17	87.01	133.00
35	25.56	30.31	40.26	51.18	60.67	73.62	88.51	135.26
36	25.88	31.19	40.79	52.29	62.20	74.62	90.01	137.57
37	26.15	31.77	41.38	53.22	63.83	75.57	91.49	139.84
38	26.41	32.54	41.90	54.28	65.60	76.44	92.94	142.07
39	26.66	33.30	42.38	55.40	67.15	78.45	94.38	144.27
40	26.94	34.00	42.93	56.56	68.23	80.21	95.67	146.22
41	27.23	34.57	43.39	57.06	69.38	81.92	97.05	149.51
42	27.43	34.83	43.77	58.02	70.60	83.04	98.38	151.55
43	27.75	35.09	44.16	58.98	72.29	84.07	99.64	153.49
44	27.94	35.34	44.54	59.93	73.44	85.07	100.76	155.26
45	28.12	35.59	44.94	60.89	74.25	85.99	102.04	157.22
46	28.37	35.85	45.33	61.85	75.08	86.92	103.27	159.09
47	28.58	36.10	45.71	62.81	75.86	87.91	104.41	160.87
48	28.82	36.36	46.10	63.76	76.84	88.75	105.52	162.62
49	29.04	36.60	46.49	64.72	77.89	89.68	106.59	164.21
50	29.16	36.86	46.88	65.68	78.98	90.82	107.71	165.97

Commercial Base Priority Mail Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
51	29.59	37.12	47.25	66.80	80.06	92.12	108.71	168.85
52	30.03	37.38	47.64	67.27	80.84	93.51	110.00	170.82
53	30.59	37.62	48.03	67.82	81.52	95.04	111.40	173.01
54	31.03	37.89	48.41	68.41	82.10	96.40	112.96	175.43
55	31.52	38.13	48.80	68.84	82.78	97.93	114.48	177.79
56	31.95	38.39	49.19	69.36	83.33	99.31	115.65	179.63
57	32.46	38.64	49.58	69.77	83.96	100.82	116.67	181.24
58	32.95	38.89	49.96	70.21	84.46	102.15	117.64	182.70
59	33.42	39.15	50.34	70.64	84.94	102.85	118.50	184.07
60	33.84	39.40	50.73	71.03	85.36	103.45	119.35	185.36
61	34.39	39.65	51.12	71.39	85.84	104.05	120.95	187.88
62	34.81	39.91	51.50	71.70	86.24	104.51	122.88	190.84
63	35.44	40.17	51.90	72.08	86.73	105.01	124.85	193.90
64	35.75	40.41	52.28	72.40	87.12	105.49	126.76	196.89
65	36.27	40.67	52.68	72.62	87.37	106.02	128.74	199.97
66	36.74	40.93	53.05	72.95	87.81	106.34	130.61	202.87
67	37.29	41.18	53.95	73.21	88.09	106.76	132.35	205.54
68	37.73	41.43	54.63	73.41	89.20	107.32	133.75	207.72
69	38.24	41.69	55.33	73.63	90.27	107.82	135.16	209.94
70	38.64	41.94	56.20	73.86	91.36	108.21	136.62	212.19

Commercial Base Flat Rate Envelope

	(\$)
Commercial Base Regular Flat Rate Envelope, per piece	7.15
Commercial Base Legal Flat Rate Envelope, per piece	7.45
Commercial Base Padded Flat Rate Envelope, per piece	7.75

Commercial Base Flat Rate Box

Size	Delivery to Domestic Address (\$)	Delivery to APO/FPO/DPO Address (\$)	
Small Flat Rate Box	7.65	7.65	
Regular Flat Rate Boxes	13.20	13.20	
Large Flat Rate Boxes	18.30	16.80	

Commercial Base Regional Rate Boxes

Size	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Α	7.68	7.92	8.21	8.92	10.42	11.13	12.10	18.69
В	8.07	8.51	9.42	11.53	16.72	19.21	21.89	34.38

Commercial Base Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Commercial Plus Priority Mail Zone/Weight

Maximum	Local,	Zone	Zone	Zone	Zone	Zone	Zone	Zone
Weight (pounds)	Zones 1 & 2 (\$)	3 (\$)	4 (\$)	5 \$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
0.5	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
1	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
2	7.64	7.84	8.12	8.76	9.99	10.54	11.19	17.45
3	7.84	8.23	8.59	9.54	12.15	13.49	15.74	23.67
4	7.94	8.45	9.07	10.33	14.16	16.06	18.14	28.50
5	8.04	8.50	9.39	10.64	16.14	18.46	21.01	33.17
6	8.15	8.54	9.50	14.18	18.47	21.45	24.52	38.01
7	8.39	9.69	9.74	15.89	20.46	24.18	27.55	42.68
8	8.45	10.17	11.49	17.35	22.47	26.63	30.94	47.91
9	9.28	10.56	11.97	18.60	24.45	28.84	34.40	53.28
10	9.76	11.10	12.16	20.30	26.67	32.03	37.78	57.94
11	11.30	13.53	14.50	22.57	29.15	35.50	41.67	63.30
12	12.00	14.39	16.89	24.18	31.81	38.40	44.73	67.86
13	12.62	15.22	17.68	25.47	34.14	39.95	46.31	70.29
14	13.27	16.06	18.62	26.96	36.06	42.18	48.61	73.77
15	13.79	16.90	19.53	28.34	37.45	42.99	49.88	75.72
16	14.39	17.97	20.78	30.03	39.95	45.84	53.13	79.88
17	14.85	18.80	21.77	31.50	41.98	48.22	55.95	84.09
18	15.14	19.38	22.75	32.91	44.20	50.60	58.75	88.33
19	15.49	19.83	23.27	33.78	46.18	52.95	61.54	92.52
20	16.10	20.14	23.74	34.40	47.38	54.93	64.39	96.78
21	16.81	20.62	24.29	35.01	47.75	55.45	65.22	98.85
22	17.34	21.18	25.10	35.71	48.08	55.88	65.97	100.00
23	17.86	21.68	25.70	36.36	48.34	56.26	66.36	100.59
24	18.59	22.60	27.16	37.79	49.36	57.73	67.98	103.05
25	19.30	23.40	28.88	39.06	50.09	59.17	69.16	104.82

Commercial Plus Priority Mail Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
26	20.47	25.09	31.90	41.14	51.31	60.63	71.33	108.10
27	21.69	26.22	33.84	44.84	52.00	62.04	74.00	112.19
28	22.35	26.57	34.80	46.01	52.71	63.48	76.78	116.40
29	23.04	26.84	35.74	46.62	53.59	64.94	78.85	119.51
30	23.72	27.23	36.58	47.26	55.09	66.36	80.54	122.10
31	24.39	27.50	37.15	47.86	55.89	67.83	82.19	125.60
32	24.67	28.08	37.77	48.42	56.62	69.29	83.87	128.16
33	25.05	28.86	38.71	49.06	57.72	70.72	85.41	130.53
34	25.28	29.61	39.69	50.12	59.09	72.17	87.01	133.00
35	25.56	30.31	40.26	51.18	60.67	73.62	88.51	135.26
36	25.88	31.19	40.79	52.29	62.20	74.62	90.01	137.57
37	26.15	31.77	41.38	53.22	63.83	75.57	91.49	139.84
38	26.41	32.54	41.90	54.28	65.60	76.44	92.94	142.07
39	26.66	33.30	42.38	55.40	67.15	78.45	94.38	144.27
40	26.94	34.00	42.93	56.56	68.23	80.21	95.67	146.22
41	27.23	34.57	43.39	57.06	69.38	81.92	97.05	149.51
42	27.43	34.83	43.77	58.02	70.60	83.04	98.38	151.55
43	27.75	35.09	44.16	58.98	72.29	84.07	99.64	153.49
44	27.94	35.34	44.54	59.93	73.44	85.07	100.76	155.26
45	28.12	35.59	44.94	60.89	74.25	85.99	102.04	157.22
46	28.37	35.85	45.33	61.85	75.08	86.92	103.27	159.09
47	28.58	36.10	45.71	62.81	75.86	87.91	104.41	160.87
48	28.82	36.36	46.10	63.76	76.84	88.75	105.52	162.62
49	29.04	36.60	46.49	64.72	77.89	89.68	106.59	164.21
50	29.16	36.86	46.88	65.68	78.98	90.82	107.71	165.97

Commercial Plus Priority Mail Zone/Weight (Continued)

Maximum Weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
51	29.59	37.12	47.25	66.80	80.06	92.12	108.71	168.85
52	30.03	37.38	47.64	67.27	80.84	93.51	110.00	170.82
53	30.59	37.62	48.03	67.82	81.52	95.04	111.40	173.01
54	31.03	37.89	48.41	68.41	82.10	96.40	112.96	175.43
55	31.52	38.13	48.80	68.84	82.78	97.93	114.48	177.79
56	31.95	38.39	49.19	69.36	83.33	99.31	115.65	179.63
57	32.46	38.64	49.58	69.77	83.96	100.82	116.67	181.24
58	32.95	38.89	49.96	70.21	84.46	102.15	117.64	182.70
59	33.42	39.15	50.34	70.64	84.94	102.85	118.50	184.07
60	33.84	39.40	50.73	71.03	85.36	103.45	119.35	185.36
61	34.39	39.65	51.12	71.39	85.84	104.05	120.95	187.88
62	34.81	39.91	51.50	71.70	86.24	104.51	122.88	190.84
63	35.44	40.17	51.90	72.08	86.73	105.01	124.85	193.90
64	35.75	40.41	52.28	72.40	87.12	105.49	126.76	196.89
65	36.27	40.67	52.68	72.62	87.37	106.02	128.74	199.97
66	36.74	40.93	53.05	72.95	87.81	106.34	130.61	202.87
67	37.29	41.18	53.95	73.21	88.09	106.76	132.35	205.54
68	37.73	41.43	54.63	73.41	89.20	107.32	133.75	207.72
69	38.24	41.69	55.33	73.63	90.27	107.82	135.16	209.94
70	38.64	41.94	56.20	73.86	91.36	108.21	136.62	212.19

Commercial Plus Flat Rate Envelope

	(\$)
Commercial Plus Regular Flat Rate Envelope, per piece	7.15
Commercial Plus Legal Flat Rate Envelope, per piece	7.45
Commercial Plus Padded Flat Rate Envelope, per piece	7.75

Commercial Plus Flat Rate Box

Size	Delivery to Domestic Address (\$)	Delivery to APO/FPO/DPO Address (\$)	
Small Flat Rate Box	7.65	7.65	
Medium Flat Rate Boxes	13.20	13.20	
Large Flat Rate Boxes	18.30	16.80	

Commercial Plus Regional Rate Boxes

Maximum Cubic Feet	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Α	7.68	7.92	8.21	8.92	10.42	11.13	12.10	18.69
В	8.07	8.51	9.42	11.53	16.72	19.21	21.89	34.38

Commercial Plus Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Commercial Plus Cubic

Maximum Cubic Feet	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.10	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
0.20	7.46	7.80	8.02	8.71	9.00	9.22	9.56	13.15
0.30	8.04	8.26	8.55	9.65	10.98	11.58	12.29	19.12
0.40	8.21	8.57	8.93	10.31	12.78	14.02	16.02	24.28
0.50	8.34	8.84	9.42	11.15	14.98	16.89	19.24	29.88

Open and Distribute (PMOD)

a. DDU

Container	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Half Tray	8.49	10.39	12.56	20.20	20.47	22.25	24.70	30.88
Full Tray	11.54	14.43	16.80	29.41	33.79	35.91	40.07	50.08
EMM Tray	13.23	15.76	19.47	32.53	35.71	39.21	43.60	54.50
Flat Tub	18.90	23.69	29.29	49.54	59.80	64.65	71.96	89.95

b. Processing Facilities

Container	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Half Tray	6.73	8.52	10.46	18.24	18.64	20.39	21.89	27.37
Full Tray	8.70	11.22	13.97	25.48	30.12	32.24	36.03	45.04
EMM Tray	10.38	12.03	16.39	28.13	31.95	35.18	40.65	50.82
Flat Tub	14.85	19.63	24.87	45.42	55.48	60.39	66.42	83.04

Pickup On Demand Service

Add \$24.00 for each Pickup On Demand stop.

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices, unless the eVS Unmanifested Fee was already assessed on that parcel.

eVS Unmanifested Fee

Add \$0.20 for each unmanifested parcel paying commercial prices, unless the IMpb Noncompliance Fee was already assessed on that parcel.

APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS

In accordance with 39 C.F.R. Part 3007, the United States Postal Service (Postal Service) hereby applies for non-public treatment of the attributable cost, contribution, and cost coverage data in the unredacted version of the annex to Governors' Decision No. 20-2, as well as the supporting materials for those data, which include disaggregated product volume and revenue distribution information. The materials consist of spreadsheets that contain calculations to determine the cost coverage for each competitive product within the scope of this docket. The Postal Service hereby furnishes below the justification for this application as required by each subsection of 39 C.F.R. § 3007.201(b). For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials. The Postal Service is concurrently filing redacted versions of these files, where it has determined redactions to be practicable.

(1) The rationale for claiming that the materials are non-public, including the specific statutory provision(s) supporting the claim, and an explanation justifying application of the provision(s) to the materials.

The materials designated as non-public consist of information of a commercial nature as well as third-party business information that, under good business practice, would not be disclosed to the public. In the Postal Service's opinion, this information would be exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3) and (b)(4). Because the portions of the materials filed non-publicly

¹ In appropriate circumstances, the Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A). The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury,

in this docket by the Postal Service fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant the Postal Service's application for their non-public treatment.

(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the non-public materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of this section (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual.²

None.

(3) A description of the information contained within the materials claimed to be non-public in a manner that, without revealing the information at issue, would allow the Commission to thoroughly evaluate the basis for the claim that the information contained within the materials are non-public.

The redacted information consists of the projected FY 2020 attributable cost, contribution, and cost coverage for each competitive product that is the subject of this docket. The Postal Service has filed information concerning the calculations used to develop the cost coverage. Protected information in the spreadsheets includes volume and revenue for selected products, as well as product-specific cost data and other

such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

² Section 3007.201(b)(2) further states the following:

⁽i) If the submitter has a proprietary interest in the information contained within the materials, identification of an individual designated by the submitter to accept actual notice of a motion related to the non-public materials or notice of the pendency of a subpoena or order requiring production of the materials.

⁽ii) If any person other than the submitter has a proprietary interest in the information contained within the materials, identification of each person who is known to have a proprietary interest in the information. If such an identification is sensitive or impracticable, an explanation shall be provided along with the identification of an individual designated by the submitter to provide notice to each affected person.

⁽iii) If both the submitter and any person other than the submitter have a proprietary interest in the information contained within the non-public materials, identification in accordance with both paragraphs (b)(2)(i) and (ii) of this section shall be provided. The submitter may designate the same individual to fulfill the requirements of paragraphs (b)(2)(i) and (ii) of this section.

supporting data. Such information for competitive product categories is commercially sensitive at the disaggregated, cell-specific level shown in the spreadsheets.

(4) Particular identification of the nature and extent of the harm alleged and the likelihood of each harm alleged to result from disclosure.

If competitors of the Postal Service were to have access to this information, they would likely focus their marketing and price cutting efforts on the Postal Service's most profitable products. This will lead to erosion of contribution of these products through lost sales and/or the need to lower prices to compete. Postal product cost and contribution information would provide suppliers of postal transportation and other services with information they could use to seek higher rates for services they provide. This would lead to higher postal costs and loss of contribution. Although the extent of the commercial harm is difficult to quantify, given that Shipping Services is a multi-billion dollar enterprise, even a small change in market share, prices, or costs could lead to millions of dollars in lost revenue, higher costs, and lower contribution margins. It is highly likely that if this information were made public, the Postal Service's competitors and suppliers would take advantage of it almost immediately.

Competitors could use the product-specific revenue, pieces, and weight information to analyze the Postal Service's possible market strengths and weaknesses and to focus sales and marketing efforts on those areas, to the detriment of the Postal Service. Disclosure of this information would also undermine the Postal Service's position in negotiating favorable terms with potential customers, who would be able to ascertain critical information about relevant product trends (e.g., average revenue per piece, average weight per piece).

(5) At least one specific hypothetical, illustrative example of each alleged harm.

Identified harm: Competitors could use product cost, contribution, or cost coverage information to assess vulnerabilities and focus sales and marketing efforts to the Postal Service's detriment.

Hypothetical: Cost, contribution and/or cost coverage information is released to the public and available to a competitor. The competitor assesses the profitability of certain services based on the data released. The competitor then targets its advertising and sales efforts at actual or potential customers in market segments where the Postal Service has substantial contribution, thereby hindering the Postal Service's ability to maintain these customers.

Identified harm: Competitors could use disaggregated product volume and revenue distribution information to assess vulnerabilities and focus sales and marketing efforts to the Postal Service's detriment, and also during negotiations with the Postal Service.

Hypothetical: Disaggregated revenue, volume, and weights contained in the Nonpublic Annex are disclosed to the public. Another delivery service's employee monitors the filing of this information and passes it along to the firm's sales and marketing functions. The competitor assesses the profitability of certain services on a per-piece or per-pound basis or the Postal Service's relative concentration in certain service offerings. The competitor then targets its advertising and sales efforts at actual or potential customers in market segments where the Postal Service appears to have made headway, hindering the Postal Service's ability to reach out effectively to these customers.

(6) The extent of the protection from public disclosure alleged to be necessary.

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the market for domestic parcel shipping products, as well as their consultants and attorneys. Additionally, suppliers of transportation or other services to the Postal Service that affect costs for competitive services should not have access to these materials; this restriction should include their consultants and attorneys. Also, the Postal Service believes that foreign postal operators, as well as actual or potential customers of a postal operator for this or similar products should not be provided access to the non-public Excel worksheets.

(7) The length of time for which non-public treatment is alleged to be necessary with justification thereof.

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3007.401(a). However, because the Postal Service's relationships with third parties that may have a proprietary interest in protected materials often continue beyond ten years or decades, the Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3007.401(b-c).

(8) Any other relevant factors or reasons to support the application.

None.

Conclusion

For the reasons discussed in this application, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials.